THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY): (a) Government are aware of the News item.

(b) Yes.

(c) Smuggling is a clandestine activity hence it is not possible to indicate the extent of Smuggling itemwise.

All Central Government and State Government agencies are fully alert and act in a fully integrated manner to stop the menace of Smuggling.

Paper on Vat

154. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has prepared/released any Paper on the Value Added Tax (VAT) spelling out various options available and practices obtaining in other countries, if so, what are the details thereof;

(b) whether any study has so far been made regarding taxation of Private Trusts, if so, what are the details thereof; and

(c) whether any steps have been taken for the efficient enforcement and greater publicity for the new scheme of Presumptive Tax, if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURHY): (a) No, Sir. A Paper on Value Added Tax is being prepared by the National Institute of Public Finance & Policy.

(b) Certain recommendations about taxation of Private Trusts have been made by the Economic Administration Reforms Commission (1981—93). Follow-up action is being taken.

(c) Yes, Sir. Wide publicity has been given to the Presumptive Tax Scheme through the media, person-to-person contact and trade associations.

Payment of service charges on foreign debts

155. SHRI RAM JETHMALANI:
SHRI VIREN J. SHAH:
SHRIMATI SUSHMA SWARAJ:
DR. JINENDRA KUMAR JAIN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item published in Daily 'Telegraph' of 22nd June, 1993 under the caption "80 per cent Aid went to Service debt";

(b) if so, whether it is a fact that 88 per cent of the total foreign capital received in the country during the financial year 1992-93 had to be paid back as instalments of interest and debt;

(c) if not, what are the details in this regard; and

(d) what is the percentage of the amount received as foreign capital in the country during the said period and directly utilized for the purposes of Agriculture and Industrial Production?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): Yes, Sir.

(b) No, Sir.

(c) Foreign loans are being repaid mainly out of country's exports and invisible earnings. As such, the debt service payment is estimated to be 25.6 per cent of our exports and invisible receipts during 1992-93.

(d) The total external loans received on Government account during 1992-93 is estimated to be Rs. 8995 crores. Out of this, 11.47 per cent and 6.86 per cent were utilised for the purposes of Agriculture and Industrial production respectively.